



07 October 2019

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## Previous Day Highlights

The FBM KLCI continued to record another closing low in four years. The index closed 0.41% or 6.45 points lower to 1,557.67 last Friday. Market breadth was mixed with 409 decliners and 404 advancers.

Hong Kong's Hang Seng Index dropped 289.3 points to 25,821.0 points last Friday while Japan's Nikkei 225 Index rose 0.32%. Shanghai Composite Index was closed and will resume its trading session on 8 Oct 2019.

US stock market ended higher last Friday as the Dow Jones Industrial Average climbed 372 points or 1.4% to 26,573.75. The Nasdaq Composite advanced 1.4% to 7,982.47. The S&P 500 gained 1.4% to 2,952.01.



## News For The Day

### **Short-term pains seen on road to SPV 2030**

Malaysia's new economic development narrative Shared Prosperity Vision 2030 (SPV 2030) will be timely as it would rejuvenate economic growth at a time when growth momentum is slowing. However, certain trade-offs on economic growth could be expected in the short term. – *The Edge Financial Daily*

### **AirAsia, AAX claiming RM479.78m from Malaysia Airports**

AirAsia Group's wholly owned subsidiary AirAsia Bhd with AirAsia X Bhd have jointly filed a writ of summons against Malaysia Airports (Sepang) Sdn Bhd (MASSB) for the loss and damages caused by negligence on the part of MASSB relating to provision of services and facilities at KLIA 2. – *SunBiz*

### **Top Glove to allocate RM600m capex for FY20**

It will allocate about RM600m as capital expenditure for FY20 mainly be used for factory automation and digitalisation, nitrile glove production line expansion, construction of new factories and machinery, as well as possible merger and acquisition activities. – *SunBiz*

### **Icon Offshore wins contract**

Icon Offshore Bhd has secured a RM36m contract from Petronas Carigali Sdn Bhd to provide an offshore support vessel for petroleum arrangement contractors' production operation. – *The Edge Markets*

### **Petronas sets up US\$350m venture capital arm**

Petroleum Nasional Bhd has set up a venture capital arm with an initial fund of US\$350m to drive technology innovation that will support its core oil and gas business. – *The Edge Markets*

### **MISC sells chemical tankers**

MISC Bhd had sold two seven-year-old chemical tankers, namely the Bunga Lotus and Bunga Lucerne, to Vietnam-based shipping company FGAS Petrol for just under US\$33m (about RM138m). – *The Edge Markets*

### **Khazanah says not selling PLUS**

Malaysian sovereign wealth fund Khazanah Nasional Bhd is not interested in selling PLUS Malaysia Bhd, the country's biggest expressway toll firm, its managing director said in comments. – *SunBiz*



## Our Thoughts

It is obvious that our equity market as well as our economy are in dire need of a major booster. With Budget 2020 to be tabled this Friday, we are hoping the government will heed the voice of the nation to pump prime both. For instant impact, without a doubt tax reduction (both personal and corporate) and the reintroduction of GST albeit at a lower rate would be most welcome by most. In addition to this, as mentioned our bankers and developers should also do their part in addressing the prevailing oversupply condition within the property scene. For today, we reckon the FBM KLCI would remain in its consolidation rut with some downside bias and see the 1,550 as the immediate psychological support.



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